disbursements under IRDP scheme during the year 1995-96, 1996-97 and 1997-98 are given at Annexure [See Appendix 186, Annexure No. 1]. The bank-wise details of credit targets and disbursements under IRDP during the years 1995-96, 1996-97 and 1997-98 are given at Annexure [See Appendix 186, Annexure No. 1]

(c) and (d) The gap between the number of applications received, sanctioned and actual disbursements is, *inter-alia*, on account of bunching of applications towards end of the year, number of applications sponsored to banks being generally higher than the financial target, selection of activities not being in tune with the resource potential, available infrasturcure and credit absorption capacity at the local level, borrowers inability to complete procedural formalities in time, selection of beneficiaries without active involvement of the lending institutions, defaults in other Government sponsored schemes, etc.

The measures already initiated and steps contemplated by Government to remedy the situation, *inter-alia* include (i) gradual sponsorin of IRDP applications to avoid bunching towards the end of the year, (ii) fixing of a time frame for processing, sanction and disbursal of loans under IRDP; (iii) delegation of adequate financial power to Branch Managers for sanction of schemes under IRDP; (iv) introduction of Family Credit Plan (FCP) in 316 districts till 1997-98, under which more than a single member of a family may be given assistance subject to the normal subsidy limits; (v) enhancing ceiling limit for collateral free loans to Rs. 50,000/- with a view to easing the constraints faced by poor beneficiaries while availing loans from banks; (vi) extension of cash disbursement scheme to 50 per cent of the blocks of the country to give the benficiary freedom to select the assets of his choice; (vii) change in the administration of subsidy from front end to back-ended subsidy; (viii) focussing on the Group approach and funding through Self-Help Groups (SHGs); and (ix) involvement of the banks and other financial institutions in the planning and preparation of projects, identification of activity clusters, infrastructure planning as well as capacity building and the choice of activity of the SHGs.

Suggestions of Prof. Amartya sen on Resetting of Economic Priorities

*8. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether the Noble laureate Prof. Amartya Sen has suggested to reset economic priorities;

(b) if so, the details thereof; and

(c) the action proposed by Government in this regard?

THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): (a) and (b) In a Newspaper item entitled "India must rest its economic priorities: Sen"published in 'The Hindu, dated the 11th December, 1998, it has been reported that Prof. Amartya Sen has suggested that India must reset its economic priorities to make them "people oriented rather than commodity related".

(c) Suggestions made by individuals and associations are kept in view while formulating appropriate policies by the Government. However, growth with social justice and alleviation of poverty has been and continues to be the basic objective of Indian economic policy and planning. The Ninth Plan document articulates the Government's overall Development Strategy.

Review of Pan System

*9. SHRI SITARAM KESRI:
SHRI P. PRABHAKAR REDDY:

Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to the news-item which appeared in the Hindustan Times dated February 1, 1999, under the caption 'Doubts surface over efficacy of PAN system; if so, what is Government's reaction thereto;

(b) the details of the flaws which have surfaced in the Permanent Account Number (PAN) system which raised doubts as to its efficacy;

(c) whether there is any proposal to review the system so as to make it more workable,